

CERTIFIED MAIL - RETURN RECEIPT REQUESTED 01-AFC-1

July 29, 2002

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HAROTELES PLUS STORES

Scott Busa FPL Energy PO Box 14000 Juno Beach, FL 33408-0420

Subject:

FPL Energy - Rio Linda/Elverta Power Project DOC Cancellation

Dear Mr. Busa:

The District determined that FPL's application was complete on April 11, 2001. Under the District regulations, the District must take final action on a permit application within 180-days from the date we find an application complete. Because FPL had not submitted sufficient information to permit an approval of the permit, the District agreed on October 5, 2001 to extend the 180-day period rather than deny the permit. Prior to the extension, FPL indicated that the data requested by the District would be submitted in a timely manner (i.e. a couple of months). Those data requests (attached) are still outstanding today, nearly 10 months later.

Moreover, FPL has also failed to submit requested information to the CEC, and that agency has suspended review of the FPL project pending revised project submittals and fulfillment of their staff's data requests. In addition, it is unclear at this point whether FPL will be able to obtain the emission credits required by the District rules for issuance of a permit. It is our understanding that FPL has sold all of its stationary source emission reduction credits, and that many, if not all of FPL's options on agricultural burning emission reduction credits have expired.

Nonetheless, the District will grant FPL one more opportunity to submit the required information. If FPL fails to respond in full to the staff's outstanding data requests by August 16, 2002, the District will notify FPL and the CEC in accordance with District Rule 201 Section 420.6 that we cannot issue a Determination of Compliance for FPL's Rio Linda/Elverta Power Project and that the application for Authority to Construct/Determination of Compliance is cancelled effective August 17, 2002. Once the application is cancelled, further consideration of this project will require the filling of a whole new application.

If you have any questions, please call me at 916-874-4856.

BRIAN F. KREBS

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Program Coordinator

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Lance Shaw, CEC

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